

This is unclassified information for the research use of trained intelligence analysts.

INFORMATION REPORT

25X1

DATE DISTR 15 December 1947

NO. OF PAGES 2

NO. OF ENCL.
LISTED BELOWSUPPLEMENT TO
REPORT NO.
DRAFTED BY

25X1

25X1

25X1

25X1

1. The following are the intentions of the Yugoslav Government toward Italy:

- (a) That the commercial agreement initiated between the two countries be signed and implemented. If this is not done, the Yugoslav Five Year Plan cannot succeed.
- (b) That the sentences of the Prize Court regarding Italian ships be recognized and the ships in the Julian March and other places in Italy be delivered to Yugoslavia.
- (c) To obtain by reparations or purchase the oil refinery in Bari which was especially designed for Albanian oil which is heavier than ordinary oil.
- (d) To have as great a number of personnel as possible in the restitution commissions or searching parties in Italy which were established in accordance with the peace treaty.
- (e) To get as much as possible in reparations.
- (f) To get the 9,000 kg. of bullion specified in the peace treaty.

2. Yugoslav aims in regard to Austria include:

- (a) To get as big a slice of Carinthia as possible. To achieve this Yugoslavia will make concessions to countries whose property was nationalized, and will perhaps make some economic concessions in addition.
- (b) To get at least a strip of territory where the hydro-electric plants on the Drau are situated, and if this is not possible to obtain at least joint administration of the plants.
- (c) To have all Austrian property in Yugoslavia declared as of the same status as the German property.
- (d) To restitute as much as possible.
- (e) To repatriate as many former Yugoslavs as possible from other countries.
- (f) To get for the minority - Gradiscanski Hrvati (Croats) - a wide autonomy with the possibility of helping them in "cultural developments."

STATE	X	NAVY	X		DISTRIBUTION														
WAR	X	AF	X																

REFERENCE CENTER LIBRARY

SECRET

SECRET

20X1

SECRET

-2-

3. In addition to these aims in Italy and Austria, the Foreign Office has been instructed to prepare for the Danube Conference a case which will show that the old European Commission and the International Commission were an infringement on the sovereignty of the Danubian nations and a hindrance to the development of Danube navigation. The Foreign Office will use some of the historical conventions still in force to prove its point.
4. The Yugoslavs also intend to change the existing agreement between Yugoslavia and Rumania for control of the Iron Gate.

-2nd-

SECRET**SECRET**